assets. These short term refinance facilities are extended by NABARD from out of the funds provided by Reserve Bank of India (RBI) under its general line of credit, which are made available to banks at concessional rates of interest and banks are also expected to lend the same to their constituents for productive purposes at reasonable rates of interest. Consumption credit is generally made available by banks at commercial rates of interest and banks are excpected to make available the same out of their own resources. NABARD's refinance is supplementary in nature mainly to bridge the gap in lendable resources.

In view of the above, NABARD does not propose to extend any separate refinance facility to banks for meeting consumption credit requirements of their constituents.

Rate of Interest on Refinance to Co-operative Banks

2684. SARDAR GURCHARAN SINGH TOHRA :

SHRI SUKHDEV SINGH LIBRA :

Will the Minister of FINANCE be pleased to state :

(a) whether NABARD has raised rate of interest on its refinance to co-operative banks w.e.f. October 1999;

(b) if so, the reasons therefor;

(c) whether NABARD propose to revise this rate of interest on refinance provided to co-operative banks to make these banks more viable and sustainable; and

(d) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) has reported that it has revised its interests with effect from 1st October, 1999 by 1.5% per annum on the short-term refinance provided to State Co-operative Banks (SCBs)/District Central Co-operative Banks (DCCBs) for financing Seasonal Agricultural Operations (SAO). Funds made available to NABARD by Reserve Bank of India (RBI) under its general line of credit is the only source for NABARD for providing short term refinance to Co-operatives and Reginonal Rural Banks

(RRBs). Since RBI had raised the rate of interest payable by NABARD on its line of credit funds by 1.5% per annum from 1-9-1999, NABARD had to revise its rate of interest subsequently from the same date.

(c) and (d) : Since NABARD determines the rates of interest on its refinance in relation to the rates of interest payable by it to RBI, further revision in rates of interest will depend upon the change in the interest rates of line of credit funds of RBI.

Non-Implementation of assured career progression and cadre review in Customs and Central excise Services

2685. SHRI RAMACHANDRA KHUNTIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that non-implementation of the recommendations of the 5th Pay Commission, regarding the Assured Career progression Scheme and Cadre Review, is causing dissatisfaction amongst the Class-I officers of the Indian Customs and Central Excise Service; and

(b) whether Government have any time frame to implement these proposals ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR) : (a) and (b) No, Sir. The assured career progression scheme has not been found acceptable in respect of officers of Group 'A' Central Services by the Government. However the cadre review proposal is being placed before the Cabinet, which will take care of satisfactory implementation of the recommendations by the Vth Pay Commission. It is not feasible to fix any time frame in this regard.

Money Laundering Directorate under CBDT

2686. SHRI RAMACHANDRA KHUNTIA : Will the Minister of FINANCE be pleased to state :

(a) Whether it is a fact that the proposed Money Laundering Directorate is likely to be placed under the administrative control of the Central Board of Direct Taxes; and

(b) the reasons for not placing it directly under the Department of Revenue, like Narcotics Control Bureau, so that expertise of officers from Police, Customs, Central Excise could be utilised ?